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James P. Wagner
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February 10, 1995

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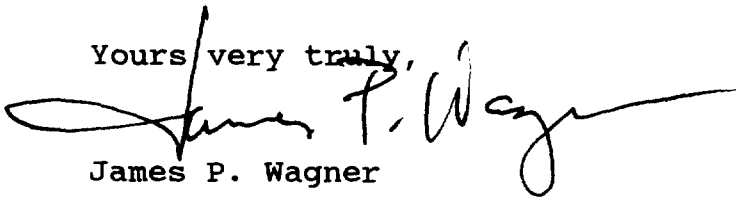
The Secretary
Federal Communications Commission
1919 M. Street NW
Washington, DC 20554

Dear Secretary

Enclosed is an original and four copies of comments regarding the Commission's proposed regulatory fee changes, Docket No. 95-3.

Thank you.

Yours very truly,



James P. Wagner

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original

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.**

In the matter of)
)
) MM Docket No. 95-3
Assessment and collection of)
Regulatory Fees for)
Fiscal Year 1995)
)
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Directed to the Secretary

FCC 95-115-01

COMMENTS ON NOTICE OF PROPOSED RULEMAKING

The purpose of these comments is to express an opinion regarding the proposed Schedule of Regulatory Fees, specifically concerning Commercial AM and FM Radio Stations under the Mass Media category. I do not agree with the method proposed by the Commission to allocate fees among the various classes of stations.

These comments are being filed by myself, as an individual, and are not connected or related to any group or organization. My interest is generated through 25 years of employment in the radio broadcast industry, having been associated with both large station operations (50kw clear channel) and small market station operations, as well as having been employed as an executive officer of a major radio broadcast group owner. Presently I own and operate a small market radio station. I have MBA and BS degrees from accredited schools and have been employed as an adjunct professor teaching

communications and broadcasting courses at an accredited liberal arts college.

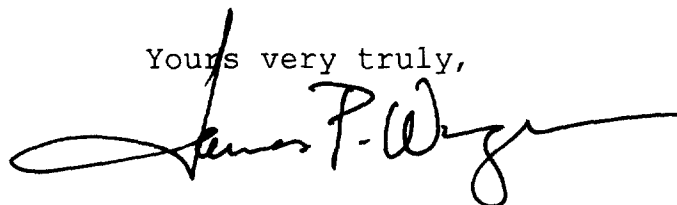
The Commission has proposed a fee schedule for commercial radio stations that places a disproportionate burden of the fee amounts on radio stations serving smaller markets. The fee structure should reflect the amount of benefit a licensee receives through its facility in terms of market and revenue potential. While the Commission has acknowledged this distinction through its attempt to quantify a fee ratio between "Arbitron and non-Arbitron markets", it has not gone far enough to fairly distribute the regulatory fee burden relative to the benefit received by the various licensees in larger versus smaller markets. Radio stations in smaller markets generate monthly revenues that average under \$40,000.00 per month compared with larger market stations that have monthly revenues in excess of \$500,000.00 per month. The proposed regulatory fees do not suggest a ratio that reflects this wide revenue range. A more realistic approach would be to assess stations based upon the amount of population within the particular station's protected service contour. For example, if all stations paid merely one cent (\$0.01) per person (an arbitrary figure chosen for demonstration purposes) for each person within its unique protected service contour a rural station with 40,000 persons within its 1mv/m contour would pay \$400.00 per year, while a station of the same power and class in a major market with 1,000,000 persons within its 1mv/m contour would pay \$10,000.00 per year. This proposal would be more

equitable since stations would now pay fees based upon that station's potential population coverage and market facility which equate to revenue potential. This would also force more efficient usage of the spectrum, penalizing nonefficient operators who may be, in effect, wasting spectrum usage. The population data would be based on US Census information instead of information decided by some outside agency. This information is readily available since the population count is required as part of the FCC 301 filings and is already in the Commission's files as well as those of the station. If the information is not current it can be readily and inexpensively updated by the station through one of the commercial data services.

In conclusion it is hoped that the Commission will consider a more equitable fee distribution based upon potential population coverage and revenue potential versus arbitrary market definitions.

Thank you for the opportunity to make these comments.

Yours very truly,

A handwritten signature in black ink, appearing to read "James P. Wagner". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

James P. Wagner
P O Box 621
Cincinnati, Ohio 45201